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January 5, 2006

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

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2006 JAN -5 PM 4:36
SC PUBLIC SERVICE
COMMISSION

RE: Petition of MCImetro Access Transmission Services, LLC for Arbitration of Certain Terms and Conditions of Proposed Agreement with Farmers Telephone Cooperative, Inc., Home Telephone Co., Inc., PBT Telecom, Inc. and Hargray Telephone Company, Concerning Interconnection and Resale under the Telecommunications Act of 1996, Docket No. 2005-67-C

Petition of MCImetro Access Transmission Services, LLC for Arbitration of Certain Terms and Conditions of Proposed Agreement with Horry Telephone Cooperative, Inc., Concerning Interconnection and Resale under the Telecommunications Act of 1996, Docket No. 2005-188-C

Dear Mr. Terreni:

Farmers Telephone Cooperative, Inc., Home Telephone Co., Inc., PBT Telecom, Inc., and Hargray Telephone Company (collectively "the RLECs"), and Horry Telephone Cooperative, Inc. ("HTC") hereby submit this joint letter in response to the December 21, 2005, letter sent by MCImetro Access Transmission Services, LLC ("MCI") to the Commission regarding the above-referenced dockets. In its letter, MCI apprised the Commission of a recent decision issued by the Iowa Utilities Board ("the Iowa Board"), in which the Iowa Board overturned its initial ruling and held that Sprint is a "telecommunications carrier" in the State of Iowa and is, therefore, entitled to seek interconnection with rural local exchange carriers to provide intermediary services to VoIP service providers seeking to exchange traffic with such carriers.

Based upon the Iowa Board's reconsideration of its earlier order, MCI now requests that this Commission adopt MCI's proposed contract language. Notably, in Docket No.

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2005-67-C, involving the matter between MCI and the RLECs, this Commission has already denied MCI's Petition for Reconsideration of the Order Ruling on Arbitration and, further, the Interconnection Agreement has been finalized by the parties in that matter. Therefore, to the extent MCI is requesting reconsideration of Order No. 2005-544, the request is not timely.

In properly adopting the RLECs' proposed language in Docket No. 2005-67-C, the Commission did not rely upon the Iowa Board's initial decision, as MCI suggests. The Commission based its findings primarily upon its review and consideration of relevant provisions of the Telecommunications Act and FCC Rules, as well as applicable federal case law. While the Commission cited the reasoning contained in the Iowa Board's initial decision as persuasive, this was only one factor reasonably considered and relied upon by the Commission. As the Commission is well aware, decisions rendered by other states that address similar, or even identical, issues are not controlling. Nevertheless, although the Iowa Board chose to reconsider and reverse its initial decision, the reasoning espoused in its earlier ruling is compelling, well-grounded, and comports with the decision of the D.C. Circuit Court of Appeals in *Virgin Islands Tele. v. Federal Communications Comm'n*, 198 F.3d 921 (D.C. Cir. 1999). Moreover, unlike rural local exchange carriers in some other states, the RLECs have not sought to avoid interconnection with MCI; rather, they voluntarily entered into negotiations with MCI and sought only to limit the interconnection agreement to include traffic of end user customers directly served by the respective parties, as intended by the Act. The RLECs have finalized individual interconnection agreements with MCI, consistent with the parties' negotiations and the Commission's directives in its Order No. 2005-544 in Docket No. 2005-67-C.

In any event, regardless of the Iowa Board's reconsideration, the Commission correctly concluded that MCI is not a "telecommunications carrier" under the Telecommunications Act of 1996 ("the Act") as to the proposed exchange of traffic on behalf of Time Warner Cable Information Services (South Carolina), LLC ("TWCIS"). As fully explained in Commission Order No. 2005-544, Section 251 of the Act does not impose obligations upon the RLECs to interconnect with MCI, as an intermediate carrier, for the purpose of exchanging traffic on behalf of a third party carrier.

In summary, the Commission correctly found that the agreement between the RLECs and MCI is properly limited to include traffic of end user customers directly served by the respective parties. A contrary decision by another state commission is not controlling, and there is considerable evidence and law to support the Commission's decision in this case.

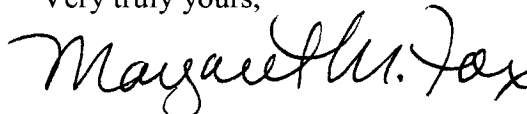
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Please let me know if you have any questions or if we can provide further information. Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, reading "Margaret M. Fox". The signature is fluid and cursive, with the first name "Margaret" being more prominent and the last name "Fox" following in a similar style.

Margaret M. Fox

MMF:rwm

cc: Florence P. Belser, Esq.
Shannon B. Hudson, Esq.
Kennard B. Woods, Esq.
Darra W. Cothran, Esq.
Joseph M. Melchers, Esq.
F. David Butler, Esq.